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14 August 1956

St/I/R, [REDACTED]
THRU : Chief, D/S

Chief, S/TF

Requirements on Egypt

1. Our analysis of the economic liaison between the USSR and Egypt would be more accurate and more relevant if we had information of a somewhat broader nature than that we have received in the past. The type of intelligence that we have referred to below, plus material of the sort we are now receiving, should enable us to provide adequate analysis of Soviet Bloc-Egyptian relations.

2. We would like to show the connection between Bloc assistance and economic development plans of the Egyptian Government. For this purpose knowledge about Egyptian plans in addition to data on Bloc offers of assistance is required. Newspaper and magazine articles on this subject as well as articles on industrial and agricultural production goals and achievements would be useful to us. Information on land reform and other attempts to improve agricultural output would be helpful to us.

3. Simple observation by a skilled observer could provide us with much of the information that we need. Progress on plants constructed with Bloc assistance can be noted by watching the projects at intermittent periods. Information about Egyptian agricultural programs can be gotten in the same manner. Since problems arising on industrial and agricultural projects are often not reported in the public journals, personal observations pointing out such difficulties, although they may in many cases be rather vague, nevertheless, are useful.

4. Most important of all, we need information about the big economic operations of the Bloc. Progress on the Aswan Dam project should be reported. To what extent is work on the dam and the irrigation works being carried on? How is the construction being financed? In what capacities are foreign technicians being employed on the project? Are the materials used being purchased abroad?

5. Information about Suez Canal operations also is vitally needed. How are the canal operations managed? Is there any evidence that Bloc

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experts are providing assistance in the management of the canal? Is the canal being maintained properly? Are there reports of operational breakdowns? Are the Egyptians carrying on the improvements outlined by the Suez Canal company before the canal was nationalized? Are bloc personnel being used in the operation of the canal?

6. We also need information about shipping facilities in Egypt. Which of the Bloc nations are submitting bids for the contract to improve the Alexandria harbor? What sort of improvements are involved in this program? Information about bidding on other harbor and Nile river contracts is of considerable value to us. Reports of Bloc attempts to gain concessions in harbor areas and Bloc efforts to penetrate the Nile river boat market are also of interest to us.

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